

**WHAT IS CLAIMED:**

1. A system for effecting the deposit and submission into a payment system of financial instruments representing authorizations of transfers of funds from multiple payors' accounts to a payee's account, the instruments containing financial information about the payment and comprising commingled paper and electronic payment instructions drawn on different institutions at which the payors maintain accounts, the instruments, when received being accompanied by a payment identifier and received by the payee at a location convenient to a payee's item capture facility and remote from the payee's depository bank, comprising the interconnected:

a) means at the location for deriving financial information from each of said instruments and converting said information into a first information record as to each said instrument, said means comprising a scanner for paper instruments and a communication means for receiving electronic payment instructions;

b) means for associating said financial information with the payee's records of accounts based upon information derived from the payment identifier accompanying the instrument for further processing by the payee;

c) imager for creating a second record translatable into a visually perceptible image of each of said financial instruments;

d) an archive for storing at least one of said first and second records;

e) first communication link between said location and said payee's depository bank for transmitting the records of the financial information derived from the instruments from said location to said depository bank; for transmitting process control instructions from said depository bank to said location; and for communicating location

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23 and the bank;

24 f) processor for adding document identifiers and routing information to the first  
25 information record of each instrument to create a unique record thereof;

26 g) sorter for separating said unique records into predetermined categories  
27 determined by the depository bank and for assembling bundles of said unique records  
28 into the categories and associating said bundles with cash letter information;

29 h) second communication link between one or both of said location and the  
30 depository bank and the payment system for transmitting said bundled records  
31 accompanied by their respective cash letters into said payment system for ultimate  
32 payment by the payor institution for each of said instruments; and,

1 2. The system of claim 1 wherein the first information record as to each  
2 financial instrument comprises information corresponding to the MICR line on a check,  
3 the amount of the payment and a document identification number.

1 3. A system as in claim 1 wherein said imager at said location creates an  
2 electronic image corresponding to each of said financial instruments for transmission of  
3 said electronic image over said first communication link to said depository bank.

1 4. A system for effecting the deposit and submission into a payment system  
2 of financial instruments representing authorizations of transfers of funds from multiple  
3 payors' accounts to a payee's account, the instruments containing financial information  
4 about the payment and comprising commingled paper and electronic payment

5 instructions drawn on different institutions at which the payors maintain accounts, the  
6 instruments, when received being accompanied by a payment identifier and received by  
7 the payee at a location convenient to a payee's item capture facility and remote from the  
8 payee's depository and for crediting the instruments' payee's account at a depository bank  
9 with the funds represented by the instruments comprising:

10 a) means at the location for deriving financial information from each of said  
11 instruments and converting said information into a transmittable record thereof as to each  
12 said instrument, said means comprising a scanner for paper instruments and a  
13 communication means for receiving electronic payments;

14 b) means for associating said record of each of said instruments with the payee's  
15 records of accounts corresponding to the payment identifier with which the instrument is  
16 accompanied;

17 c) means at said facility for applying to each of said records a separate  
18 indorsement indicia on behalf of each of said payee and said depository bank;

19 d) a sorter at said facility for sorting said records of financial instruments  
20 according to predetermined sort pattern categories determined by the depository bank and  
21 for assembling the sorted instruments with indorsements thereon into bundled groups  
22 with respect to the predetermined sort pattern categories;

23 e) a means at said facility for preparing at least one cash letter for association with  
24 each bundled group of instruments;

25 f) means for assembling information derived from the instruments into a  
26 transmittable record with respect to each instrument in a correspondence with the bundled  
27 groups and cash letters for communication to the bank;



1           8.     The system of claim 1 including a means for physically processing the  
2 check payments received in accordance with a truncation procedure in which the  
3 truncation procedure for the paper checks includes the archive of an image of the check  
4 in a format selected from one or more of the group of microfilm, electronic imaging,  
5 bitmap and imaging, and the check is thereafter disposed of.

6           9.     The system of claim 4 including a means for physically processing the  
7 check payments received in accordance with a truncation procedure in which the  
8 truncation procedure for the paper checks includes the archive of an image of the check  
9 in a format selected from one or more of the group of microfilm, electronic imaging, and  
10 bitmap imaging, and the check is thereafter disposed of.

1           10.    The system of claim 1 in which an image of a physical check or one or  
2 more segments of the physical check is returned to the check writer in a periodic  
3 statement of the check writer's account.

1           11.    The system of claim 4 in which an image of a physical check or one or  
2 more segments of the physical check is returned to the check writer in a periodic  
3 statement of the check writer's account.

1           12.    The system of claim 4 in which multiple cash letters are submitted into the  
2 payment system

